

LEGALLY PRIVILEGED AND CONFIDENTIAL

File Note – CUP

20 May 2016 - Phone conversation with Jason O'Connor and Debra Tegoni (around 4pm)

- I asked Jason how he went with his NAB meeting on Thursday 19 May. Jason said everything he knew about Sydney is basically confirmed, that Sydney had become too greedy and so had it raised the attention of CUP.
- CUP had reached out to NAB and asked if NAB were ok with the transactions.
- Jason said that whilst NAB were quite careful the message that he received was, they were ok with what we were doing but don't overdo it. There needed to be a justification such that the amounts going through could be justified in that Crown for example, rooms are expensive, customers can buy expensive items such as jewellery and handbags etc but that we should not push the envelope. He stated that they had been tracking our averages and it was 76,000 which they were comfortable with but that Sydney had gone too far.
- Basically on that basis Jason said that it was business as usual and that they wouldn't change any limits.
- I asked Jason if he had ventilated the Ezybonds type transaction and whether they would be comfortable with that. He suggested that those transactions would go through CBA rather than NAB.
- I thought that because they were CUP there might be some indicators that we might need to check that our bank would not have a problem receiving those CUP amounts assuming we used Ezybonds and assuming through them we got approval to have greater amounts coming through. Jason said he would check whether it was CBA or NAB and any issues with that he could contact the risk relationship person in Sydney at NAB if need be but first he will check with Roland and get back to me.
- Separately, I said that I would do the due diligence on both Ezybonds and secondly Regal Crown but that commercially it seemed that Regal Crown was a heavier risk as money is going through his account. If he understands his product correctly (which I have doubts about) but Ezybonds at least do not take physical possession of the cash. He noted this point as a commercial risk.